

Message Text

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42

ACTION OPIC-06

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FM AMEMBASSY NAIROBI

TO SECSTATE WASHDC IMMEDIATE 2010

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PASS OPIC

E.O. 11652: N/A

TAGS: OPIC, KE, EFIN

SUBJECT: OPIC MISSION

REF: (A) STATE 168131, (B) STATE 193020

1. ON BASIS CONTINUING CONTACTS WITH GOK, AMERICAN BUSINESS COMMUNITY AND LOCAL TRADE ASSOCIATIONS, EMB RECOMMENDS RESTRUCTURING OPIC BRIEFING SUGGESTED IN REFTEL B AND INVITES OPIC CONCURRENCE.

2. CONCEPT OF INVESTMENT MISSION HAS AROUSED MIXED REACTIONS FROM PROSPECTIVE AUDIENCES. CHAMBER OF COMMERCE MOST ENTHUSIASTIC AND WOULD LIKE TO GIVE TEAM MAXIMUM EXPOSURE TO ITS NAIROBI MEMBERSHIP. MINISTRY OF COMMERCE AND INDUSTRY OFFICIALS (MINISTER, DEPUTY PERMANENT SECRETARY, AND INTUSTRY DIVISION) WERE GENERALLY UNFAMILIAR WITH OPIC AND ITS OVERSEAS PROGRAMS. AGENCY BROCHURES AND EMBOFF DESCRIPTION FAILED TO EXCITE MORE THAN TEPID INTEREST. REASON APPARENTLY, AS EMBOFF WAS PRIVATELY ADVISED BY DEPUTY PERMSEC, IS THAT GOK HAS BECOME JADED BY CONTINUOUS STREAM OF OFFICIAL AND PRIVATE INVESTMENT TEAMS THAT ENGAGE IN PLETHORA OF STUDIES BUT FAIL TO RESULT IN ANY PRODUCTIVE COMMITMENTS. ANOTHER MINISTRY OFFICER EXPRESSED THE VIEW THAT THERE WAS NOTHING ABOUT THE KENYAN INVESTMENT SCENE NOT ALREADY KNOWN TO USG OR READILY AVAILABLE THROUGH PUBLISHED SOURCES. RECENT

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INVESTMENT STUDY PREPARED BY EUROPEAN GROUP OF SEVEN

MISSION -- A SOMEWHAT NEGATIVE SURVEY OF KENYAN OPPORTUNITIES AND BUSINESS CLIMATE - PROBABLY CONTRIBUTED TO GOK ALIENATION ON SUBJECT INVESTMENT MISSIONS. THIS APATHY EXCEEDED OUR ORIGINAL EXPECTATIONS.

3. EMB FEELS OPIC TEAM CAN OVERCOME GOK RELUCTANCE AND DERIVE SOME BENEFITS FROM BRIEFING BY COMING PREPARED TO ASK IN-DEPTH QUESTIONS ABOUT KENYA'S INDUSTRIALIZATION OBJECTIVES AND INCENTIVES. GOK REPS WOULD ALSO APPRECIATE CHANCE TO DISCUSS SPECIFIC PROJECTS IN WHICH U.S. INVESTOR INTEREST COULD BE SOLICITED. AT EMB REQUEST, MINISTRY OF COMMERCE AND INDUSTRY PREPARED PAPER DESCRIBING PARTICULAR INDUSTRIAL PROJECTS "RIPE" FOR GOREIGN INVESTMENT. COPY WAS FORWARDED TO BONNIE HENDERSON THROUGH INTERNATIONAL MAIL AUGUST 23. IN CASE MATERIAL IS DELAYED IN TRANSIT, EMB SUMMARZING CONTENTS IN SEPTEL.

4. IN ABSENCE STRONG MINISTRY OF COMMERCE DESIRE TO SERVE AS GOK HOST TO OPIC MISSION, EMB ITSELF UNDERTOOK RESPONSIBILITY OF COORDINATING GOK BRIEFINGS. FOLLOWING MINISTRY'S ADVICE AND EMB'S OWN EXPERIENCE WITH INTER-AGNEY MEETING, WE WOULD PREFER TO SCHEDULE SEPARATE BRIEGING AT INDIVIDUAL MINISTRIES AND PARASTATAL ORGANIZATIONS. ALTHOUGH PHYSICALLY AWKWARD FOR OPIC REPS, THIS ARRANGEMENT MORE CONFORTABLY ACCOMMODATES KENYAN NOTIONS OF PROTOCOL AND INCREASES THE CHANCES OF A FRANK, SUBSTANTIVE DISCUSSION. INDIVIDUAL CONTACTS ALSO INCREASE THE LIKELIHOOD OF ATTRACTING SENIOR OFFICERS AS WELL AS WORKING LEVEL PERSONNEL.

5. IF ACCEPTABLE, EMB WOULD PLAN THE FOLLOWING GOK MEETINGS (NOT NECESSARILY IN THIS ORDER):

MINISTRY OF FINANCE AND PLANNING
CENTRAL BNAK
MINISTRY OF AGRICULTURE (INCLUDING ARGI-CULTURAL DEVELOPMENT CORP.)
MINISTRY OF COMMERCE OF INDUSTRY
INDUSTRIAL AND COMMERCIAL DEVELOPMENT CORPORATION
INDUSTRIAL DEVELOPMENT BANK
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KENYA TOURIST DEVELOPMENT CORPORATION
DEVELOPMENT FINANCE CORPORATION OF KENYA
WE WOULD ALLOT APPROXIMATELY TWO HOURS PER SESSION.

6. IN ORDER TO FIT THIS EXPANDED SERIES OF BRIEFINGS INTO OPIC'S SCHEDULE, EMB SUGGESTS MAKING APPOINTMENTS MONDAY, SEPTEMBER 6. BRIEFING FOR U.S. BUSINESSMEN ALREADY ANNOUNCED FOR A.M. OF SEPT. 7, WHEN CHANCERY

OPEN TO ACCOMMODATE SESSION. FOR SAME REASON, EMBOFFS
BRIEFING COULD ALSO TAKE PLACE THAT MORNING. COMBINED
CHAMBER OF COMMERCE/ASSOCIATION OF MANUFACTURERS BRIEFING
SET FOR A.M. SEPT. 9, COMBINED KENYAN/AMERICAN BANKERS
FOR P.M. SEPT. 9. EMB REQUESTS IMMEDIATE OPIC REPLY
BEFORE MAKING FURTHER DEFINITE APPOINTMENTS.

7. RE LOGISTICAL DETAILS: RESERVATIONS CONFIRMED AT
NEW STANLEY HOTEL SEPT. 5-8 FOR HENDERSON AND SEPT. 5-21
FOR PARRELL. OPIC BROUCHERS ARRIVED AT EMB. WE ASSUME EMBOFFS
BRIEFING REQUESTED BY OPIC WILL CONSIST OF TEAM PRESENTATION
TO EMBASSY PERSONNEL AND NOT VICE VERSA. PLS. CLARIFY.

DECONTROL 8-25-77.
MARSHALL

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